

Rhode Island Office of Energy Resources  
One Capitol Hill, 4th Floor  
Providence, RI 02908



STATE OF RHODE ISLAND  
**OFFICE OF  
ENERGY RESOURCES**  
*Commissioner Carol J. Grant*

December 9, 2019

Chairperson Margaret E. Curran  
Commissioner Marion Gold  
Commissioner Abigail Anthony  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, Rhode Island 02888

**Re: PUC Docket No. 4991 - Pascoag Utility District - 2020 Demand Side Management Plan**

Dear Commissioners:

The Office of Energy Resources (OER) respectfully submits these comments in support of Pascoag Utility District's (PUD) 2020 Demand Side Management Plan (2020 DSM Plan) that was filed with the Public Utilities Commission (Commission) on November 7, 2019 under Docket #4991. OER strongly encourages the Commission to approve the 2020 DSM Plan as filed.

PUD's proposed 2020 DSM Plan is expected to result in increased energy and demand savings beyond 2019 achievements, contributing to PUD's ability to deliver clean, affordable, and reliable energy to local customers while helping reduce harmful greenhouse gas emissions. PUD's method of identifying barriers to energy efficiency and developing strategies to overcome these barriers, such as increasing weatherization incentives, is expected to facilitate customer investment in cost-effective energy efficiency projects at homes and businesses. Furthermore, the 2020 DSM Plan is aligned with the State Energy Plan and broader state energy policy goals.

In Spring 2018, OER began working with PUD to more thoroughly understand the energy efficiency needs of and opportunities in the Pascoag community, and develop strategies to enhance PUD's existing DSM programs and incentives. These strategies are outlined in Schedule I of PUD's DSM filing and OER commends PUD for their on-going commitment toward achieving those goals.

To assist with the delivery of robust program enhancements, OER allocated proceeds from the state's 2018-B Regional Greenhouse Gas Initiative (RGGI) Allocation plan supporting PUD's energy efficiency efforts. This funding, first utilized in 2019 and scheduled to continue through 2021, is supporting the delivery of cost-effective energy efficiency programs and incentives to PUD customers. OER chose to disburse funding over three years to promote thoughtful program development and allow for scaling of resources and customer awareness. In 2020, PUD proposed to leverage RGGI funding to expand access to no-cost residential energy assessments and weatherization incentives. In fact, PUD met their robust goal of conducting nearly ten times

more no-cost residential energy assessments in 2019 compared to previous assessment numbers and it will continue providing this enhanced level of assessment services to customers in 2020. These assessments will be coupled with enhanced incentives for insulation, air sealing, and programmable thermostats, if approved by the Commission. Together, the energy audits and weatherization incentives will help Pascoag residents and businesses identify energy efficiency opportunities, reduce energy use, save money, shrink carbon footprints, and increase the comfort of their homes throughout the year.

The 2020 DSM Plan also demonstrates the utility's commitment to delivering high quality, effective energy efficiency measures in future years. PUD proposes to continue working with their energy consultant and further leverage their technical expertise on program development and program impact tracking. The enhanced reporting and data collection facilitated by the consultant throughout 2019 has already given PUD numerous insights into program performance and customer preferences that meaningfully enhance the 2020 DSM plan. For example, the energy consultant has helped PUD develop a step-by-step methodology for enhanced program reporting that includes program cost-effectiveness, carbon emission reductions, and lifetime savings calculations, thereby improving program transparency and quantification of investment impacts. OER plans to continue working collaboratively with PUD staff and their consultants in program development and monitoring processes going forward.

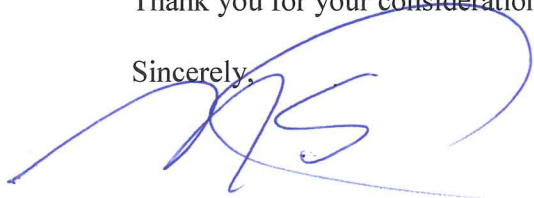
Another notable feature of PUD's 2020 DSM Plan is their inclusion of incentives for heat pump water heaters as well as heat pump systems for both heating and cooling. OER applauds PUD's decision to provide customers with incentives for these innovative technologies and recognizing the energy and environmental benefits of strategic electrification.

PUD also continues to coordinate DSM efforts with other utility initiatives including exploration of third-party financing options for businesses, research and development regarding electric vehicle charging infrastructure, strategies to better engaging income-eligible customers, and investigations into battery storage as a non-wires alternative to a substation/feeder upgrade. OER applauds the holistic thinking and planning showcased by this coordination.

OER is excited to continue its energy efficiency collaboration with PUD. We are confident that Pascoag residents and businesses will realize substantial economic, energy, and environmental benefits as a result of the programs and initiatives advanced in the 2020 DSM Plan and urge the Commission to approve.

Thank you for your consideration.

Sincerely,



Nicholas S. Ucci  
Deputy Commissioner